



JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Inspection Report

Minerals Regulatory Program

May 2, 2008

Supervisor RL

| | |
|---|--|
| Mine Name: Elite Rock West | Permit Number: S/049/0050 |
| Operator Name: Wasatch Mountain Excavating, Inc. | Inspection Date: April 29, 2008 |
| Inspector(s): Lynn Kunzler | Time: 9:00 am |
| Other Participants: None | Mine Status: Being Reclaimed* |

* No activity during this inspection

| Elements of Inspection | Evaluated | Comment | Enforcement |
|---|-------------------------------------|-------------------------------------|--------------------------|
| 1. Permits, Revisions, Transfer, Bonds | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Public Safety (shafts, adits, trash, signs, highwalls) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Protection of Drainages / Erosion Control | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Deleterious Material | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Roads (maintenance, surfacing, dust control, safety) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Concurrent Reclamation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. Backfilling/Grading (trenches, pits, roads, highwalls, | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8. Soils | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Revegetation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Purpose of Inspection:

Check reclamation status of the site.

Inspection Summary:

On April 8, 2008 the operator requested a 3-week extension (until April 30) to complete reclamation. Observations made today indicate that there has not been much more of the site reclaimed since my April 7th inspection. It appeared that the trackhoe had broken down and that there had been no work done for several days. There is only 1-2 acres of the disturbance that regrading work is considered adequate.

Photos were taken to document site conditions.

Conclusions and Recommendations:

It is becoming apparent that the operator has not taken the requirement to reclaim very seriously. After a Cessation Order had been issued November 1, 2007, the operator decided to reclaim the site vs. permit a large mining operation. Reclamation was supposed to have been completed by December 1. by mid December, the work had not been started, and the Division was promised that equipment was en-route to do the work. This apparently did not take place, and winter weather prevented the work until this spring. The Division sent another letter to the operator reminding him that the reclamation needed to be completed by April 8, 2008, and the additional bond (\$10,000) needed to be posted. An inspection on April 8, found work being done, but little progress had been made. A phone call with Brett Bryson, indicated he would submit the additional surety and would request an

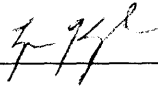
Inspection Date: March 29, 2008

Page 2 of 2

M/049/0050

extension to complete the work. (the Division has not yet received the additional surety.). At this point, it is recommended that the Division notify the operator that since abatement work required by the Cession Order has not been completed, it is now considered a Failure to Abate situation, with a mandatory, minimum fine of \$750.00 per day, effective the day he receives the Notice. An alternative to this would be to meet with Division management to work out an agreement as to when the reclamation work would be completed.

Inspector's Signature



LK:pb

cc: Brett Bryson, Operator

O:\M049-Utah\S0490050-EliteRockWest\inspections\Insp-04292008.doc